

County of Chesterfield, Virginia
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2004

	<u>General</u>	<u>County Capital Projects</u>	<u>School Capital Projects</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Revenues					
From local sources:					
General property taxes	\$ 253,448,743	\$ -	\$ -	\$ -	\$ 253,448,743
Other local taxes	86,031,892	-	-	-	86,031,892
Permits, privilege fees and regulatory licenses	6,806,680	-	-	-	6,806,680
Fines and forfeitures	1,876,556	-	-	-	1,876,556
Use of money and property	1,184,711	169,163	408,404	2,003	1,764,281
Contributions from developers	-	8,632,302	-	-	8,632,302
Charges for services	22,948,556	377,711	-	520,039	23,846,306
Miscellaneous	936,526	31,648	7,325	141,394	1,116,893
Recovered costs	8,151,584	-	13,083	-	8,164,667
Donations	2,201,850	-	-	14,356	2,216,206
From component unit - School Board	90,939,406	-	1,374,903	1,053,850	93,368,159
From other governments	111,654,239	1,094,231	531,163	12,188,159	125,467,792
Total revenues	<u>586,180,743</u>	<u>10,305,055</u>	<u>2,334,878</u>	<u>13,919,801</u>	<u>612,740,477</u>
Expenditures					
Current:					
General government	30,668,010	-	-	-	30,668,010
Administration of justice	5,772,934	-	-	1,848,117	7,621,051
Public safety	103,521,624	-	-	4,818,635	108,340,259
Public works	15,297,622	-	-	119,456	15,417,078
Health and welfare	42,700,816	-	-	8,668,745	51,369,561
Parks, recreation and cultural	16,287,892	-	-	179,913	16,467,805
Education - School Board	279,415,527	-	335,404	-	279,750,931
Community development	11,251,375	-	-	1,657,623	12,908,998
Debt service:					
Retirement of principal	34,429,508	-	-	-	34,429,508
Interest	16,950,600	-	-	-	16,950,600
Other	1,797,522	-	-	-	1,797,522
Capital outlay	-	26,750,786	26,132,299	-	52,883,085
Total expenditures	<u>558,093,430</u>	<u>26,750,786</u>	<u>26,467,703</u>	<u>17,292,489</u>	<u>628,604,408</u>
Excess (deficiency) of revenues over (under) expenditures	<u>28,087,313</u>	<u>(16,445,731)</u>	<u>(24,132,825)</u>	<u>(3,372,688)</u>	<u>(15,863,931)</u>
Other financing sources (uses)					
Transfers in	1,668,976	9,357,464	7,288,511	3,236,218	21,551,169
Transfers out	(18,717,721)	(1,347,769)	-	(97,942)	(20,163,432)
Certificates of participation issued	315,872	20,846,709	-	-	21,162,581
Bonds issued	214,230	-	59,964,714	-	60,178,944
Proceeds of refunding bonds	66,940,137	-	-	-	66,940,137
Payment to refunded bond escrow agent	(65,936,527)	-	-	-	(65,936,527)
Total other financing sources (uses)	<u>(15,515,033)</u>	<u>28,856,404</u>	<u>67,253,225</u>	<u>3,138,276</u>	<u>83,732,872</u>
Extraordinary loss					
Hurricane Isabel	(1,648,014)	(49,536)	-	-	(1,697,550)
Net change in fund balances	10,924,266	12,361,137	43,120,400	(234,412)	66,171,391
Fund balances, July 1, 2003	103,832,723	17,337,219	24,284,504	1,100,574	146,555,020
Fund balances, June 30, 2004	<u>\$ 114,756,989</u>	<u>\$ 29,698,356</u>	<u>\$ 67,404,904</u>	<u>\$ 866,162</u>	<u>\$ 212,726,411</u>

(Continued)

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Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities:

Net change in fund balances - total governmental funds. \$ 66,171,391

Amounts reported for governmental activities in the Statement of Activities are different because:

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays (\$40,343,176) exceeded depreciation (\$24,041,189) in the current period. 16,301,987

In the Statement of Activities, only the gain on the sale of surplus assets is reported, whereas in the governmental funds, the proceeds from the sale increase financial resources. Thus, the change in net assets differs from the change in fund balance by the net book value of the surplus assets sold. (270,507)

Donations of capital assets increase revenues in the Statement of Activities, but do not appear in the governmental funds because they are not financial resources. 2,987,077

Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds. (648,680)

Bond proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the Statement of Net Assets. Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Assets. This is the amount by which proceeds (\$148,281,662) exceeded payments (\$100,366,035). (47,915,627)

Under the modified accrual basis of accounting used in the governmental funds, expenditures are not recognized for transactions that are not normally paid with expendable available financial resources. In the Statement of Activities, however, which is presented on the accrual basis, expenses and liabilities are reported regardless of when financial resources are available. In addition, interest on long-term debt is not recognized under the modified accrual basis of accounting until due, rather than as it accrues. This adjustment combines the net changes (exclusive of internal service fund changes) of the following balances:

Compensated absences	\$ (1,615,298)	
Judgments and claims	996,984	
Retirement plan obligations	152,695	
Accrued interest	(208,959)	
Amortization of bond premiums and issuance costs	726,114	
Bond interest expense and amortization of deferred amount on refunding	<u>3,134,960</u>	3,186,496

Internal service funds are used by management to charge the costs of insurance, vehicles and communications and construction management to individual funds. The net revenue of the internal service funds is reported with governmental activities. (168,753)

Change in net assets of governmental activities. \$ 39,643,384

The accompanying notes are an integral part of the financial statements.